



February 3, 2015

HOUSE BILL No. 1042

DIGEST OF HB 1042 (Updated January 29, 2015 3:42 pm - DI 116)

Citations Affected: IC 21-12.

Synopsis: Education loan information. Requires a postsecondary educational institution that enrolls students who receive Frank O'Bannon grants or twenty-first century scholarships to annually provide each student with certain information concerning the student's education loans. Provides that an eligible institution does not incur liability for any information provided to students.

Effective: July 1, 2015.

Cox, Truitt, Austin, Lucas

January 6, 2015, read first time and referred to Committee on Education.
February 2, 2015, amended, reported — Do Pass.

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February 3, 2015

First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1042

A BILL FOR AN ACT to amend the Indiana Code concerning higher education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 21-12-15 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2015]:
- 4 **Chapter 15. Information Concerning Education Loans**
- 5 **Sec. 1. This chapter applies to an eligible institution that enrolls**
- 6 **students who receive state financial aid administered by the**
- 7 **commission for higher education.**
- 8 **Sec. 2. As used in this chapter, "education loan" has the**
- 9 **meaning set forth in IC 21-16-1-5.**
- 10 **Sec. 3. (a) An eligible institution that receives education loan**
- 11 **information for a student enrolled in the eligible institution shall**
- 12 **provide to that student the following information:**
- 13 **(1) An estimate of the total amount of education loans taken**
- 14 **out by the student.**
- 15 **(2) An estimate of:**

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- 1 **(A) the potential total payoff amount of the education loans**
2 **incurred or a range of the total payoff amount; and**
3 **(B) monthly repayment amounts that a similarly situated**
4 **borrower may incur, including principal and interest, for**
5 **the amount of loans the student has taken out at the time**
6 **the information is provided.**
7 **The information provided under this subdivision may include**
8 **a statement that the estimates and ranges provided are**
9 **general in nature and not meant as a guarantee or promise of**
10 **the actual projected amount.**
11 **(3) The percentage of the borrowing limit the student has**
12 **reached at the time the information is provided.**
13 **(b) An eligible institution shall provide the information required**
14 **under subsection (a) annually.**
15 **(c) An eligible institution does not incur liability for any**
16 **representations made under this section.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1042, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 6, delete "Frank O'Bannon grants or twenty-first" and insert **"state financial aid administered by the commission for higher education."**

Page 1, delete line 7.

Page 1, line 10, after "institution" insert **"that receives education loan information for a student enrolled in the eligible institution"**.

Page 1, line 10, delete "each" and insert **"to that"**.

Page 1, line 10, after "student" insert **"the following information:"**.

Page 1, delete line 11.

Page 1, line 12, delete "an" and insert **"An"**.

Page 1, line 13, delete ";" and insert ".".

Page 1, delete lines 14 through 15.

Page 2, delete line 1.

Page 2, line 2, delete "(3) an" and insert **"(2) An"**.

Page 2, line 2, after "of" insert **":**

(A) the potential total payoff amount of the education loans incurred or a range of the total payoff amount; and

(B)".

Page 2, line 2, after "amounts" insert **"that a similarly situated borrower may incur, including principal and interest,"**.

Page 2, line 4, delete "; and" and insert ".".

Page 2, between lines 4 and 5, begin a new line single block indented and insert:

"The information provided under this subdivision may include a statement that the estimates and ranges provided are general in nature and not meant as a guarantee or promise of the actual projected amount."

Page 2, line 5, delete "(4) the" and insert **"(3) The"**.

Page 2, after line 8, begin a new paragraph and insert:

"(c) An eligible institution does not incur liability for any representations made under this section."

and when so amended that said bill do pass.

(Reference is to HB 1042 as introduced.)

BEHNING

Committee Vote: yeas 11, nays 0.

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